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DEPARTMENT OF COMMERCE

International Trade Administration

C-570-921; C-570-931; C-570-936; C-570-938; C-570-940; C-570-942; C-570-944; C-570-946; C-570-955; C-570-957; C-570-959; C-570-966; C-570-968; C-570-978; C-570-980

Implementation of Determinations Pursuant to Section 129 of the Uruguay Round Agreements Act

AGENCY: Enforcement and Compliance, International Trade Administration, Department

of Commerce

SUMMARY: On April 1, 2016 and May 26, 2016, the U.S. Trade Representative (USTR) directed the Department of Commerce (the Department) to implement its determinations under section 129 of the Uruguay Round Agreements Act (URAA), regarding 15 countervailing duty (CVD) investigations, which render them not inconsistent with the World Trade Organization (WTO) dispute settlement findings in *United States – Countervailing Duty Measures on Certain Products from China*, WT/DS437 (December 18, 2014) (DS437). *See* Attachment for a listing of the 15 CVD investigations at issue in DS437. The Department issued its final determinations in these section 129 proceedings on March 31, 2016, April 26, 2016, and May

DATES: The effective date for the determination covering the *Group One Investigations* and the *Wire Strand* investigation with respect to the public body and input specificity analyses is April 1, 2016, and the effective date for the determinations covering the *Group Two Investigations* and *Wire Strand* with respect to the land specificity analysis is May 26, 2016. FOR FURTHER INFORMATION CONTACT: Eric B. Greynolds or Kristen Johnson, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade

19, 2016. The Department is now implementing these final determinations.

Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6071 or (202) 482-4793, respectively. SUPPLEMENTARY INFORMATION:

Background

On April 27, 2015, the Department informed interested parties that it was initiating proceedings under section 129 of the URAA to implement the recommendations and rulings of the WTO Dispute Settlement Body (DSB) in DS437.¹ Given the number of CVD investigations and complexity of the issues involved in this dispute, the Department addressed each of the issues and conclusions of the panel and Appellate Body in DS437 through separate preliminary determination memoranda. Specifically, the Department issued preliminary determinations regarding: (1) Export Restraints;² (2) Land;³ (3) Public Bodies and Input Specificity;⁴ and (4) Benefit (Market Distortion).⁵

The Department invited interested parties to comment on each of the section129 preliminary determinations.⁶ After receiving comments and rebuttal comments from the

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¹ See Notice of Commencement of Compliance Proceedings Pursuant to Section 129 of the Uruguay Round Agreements Act, 80 FR 23254 (April 27, 2015).

² See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceeding: United States – Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO/DS437): Preliminary Determination Regarding Export Restraints," (February 23, 2016).

³ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceeding: United States – Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO/DS437): Preliminary Determination Regarding Land Specificity," (February 24, 2016).

⁴ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Preliminary Determination of Public Bodies and Input Specificity," (February 25, 2016); see also Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Input Specificity: Preliminary Analysis of the Diversification of Economic Activities and Length of Time," (December 31, 2015).

⁵ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Benefit (Market Distortion) Memorandum," (March 7, 2016); see also Memorandum to Brendan Quinn, Acting Director, AD/CVD Operations, Office III, "Supporting Memorandum to Preliminary Benefit (Market Distortion) Memorandum," (March 7, 2016).

⁶ See Department Memorandum to the File, "Section 129 Proceedings: United States – Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO/DS437): Schedule for rebuttal factual information, written argument, and a hearing," (March 11, 2016).

interested parties, the Department issued final determinations on March 31, 2016,⁷ April 26, 2016,⁸ and May 19, 2016.⁹

On April 1, 2016, USTR notified the Department that, consistent with section 129(b)(3) of the URAA, consultations with the Department and the appropriate congressional committees with respect to the March 31, 2016, determinations, had been completed and USTR directed the Department to implement those determinations in accordance with section 129(b)(4) of the URAA. As explained below, those determinations applied to *Lawn Groomers*, *Kitchen Shelving*, *Steel Cylinders*, *Print Graphics*, *Aluminum Extrusions*, *Thermal Paper*, and *Citric Acid* ("*Group One Investigations*"), as well as *Wire Strand* with respect to the Department's public body and input specificity analyses.

On May 26, 2016, USTR notified the Department that, consistent with section 129(b)(3) of the URAA, consultations with the Department and the appropriate congressional committees with respect to the April 26, 2016, and May 19, 2016, determinations had been completed and USTR directed the Department to implement those determinations in accordance with section

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⁷ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceedings: United States - Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO DS437): Final Determination of Public Bodies and Input Specificity," (March 31, 2016); Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceedings: United States - Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO DS437): No Comment Final Determinations," (March 31, 2016); and Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceedings: United States – Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO DS437): Final Determination for Countervailing Duty Investigation on Drill Pipe from the People's Republic of China," (March 31, 2016). ⁸ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceedings: United States - Countervailing Duty (CVD) Measures on Certain Products from the People's Republic of China (WTO DS437): Final Determination on the Initiation of Allegations of Export Restraints in Magnesia Bricks," (April 26, 2016) (Final Determination for Export Restraints); see also Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceedings: United States -Countervailing Duty (CVD) Measures on Certain Products from the People's Republic of China (WTO DS437): Final Determination for Certain Seamless Carbon Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China (Seamless Pipe from the PRC)," (April 26, 2016) (Final Determination for Seamless Pipe). ⁹ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceedings: United States - Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO DS437): Final Determination for Pressure Pipe, Line Pipe, OCTG, Wire Strand, and Solar Panels," (May 19, 2016) (Final Determination for Pressure Pipe, Line Pipe, OCTG, Wire Strand, and Solar Panels).

129(b)(4) of the URAA. Those determinations apply to *Pressure Pipe*, *Line Pipe*, *OCTG*, *Solar* Panels, Seamless Pipe, and Magnesia Bricks ("Group Two Investigations") and Wire Strand with respect to the Department's land specificity analysis. Also on May 26, 2016, in accordance with section 129(b)(4) of the URAA, USTR directed the Department to implement those determinations as well.

Nature of the Proceedings

Section 129 of the URAA governs the nature and effect of determinations issued by the Department to implement findings by WTO dispute settlement panels and the Appellate Body. Specifically, section 129(b)(2) of the URAA provides that "notwithstanding any provision of the Tariff Act of 1930," upon a written request from USTR, the Department shall issue a determination that would render its actions not inconsistent with an adverse finding of a WTO panel or the Appellate Body. ¹⁰ The Statement of Administrative Action, U.R.A.A., H. Doc. 316, Vol. 1, 103d Cong. (1994) (SAA), variously refers to such a determination by the Department as a "new," "second," and "different" determination. 11 After consulting with the Department and the appropriate congressional committees, USTR may direct the Department to implement, in whole or in part, the new determination made under section 129 of the URAA.¹² Pursuant to section 129(c) of the URAA, the new determination shall apply with respect to unliquidated entries of the subject merchandise that are entered or withdrawn from warehouse, for consumption, on or after the date on which USTR directs the Department to implement the

See 19 U.S.C. 3538(b)(2).
 See SAA at 1025, 1027.
 See 19 U.S.C. 3538(b)(4).

new determination.¹³ The new determination is subject to judicial review, separate and apart from judicial review of the Department's original determination.¹⁴

Final Determinations: Analysis of Comments Received

The issues raised in the comments and rebuttal comments submitted by interested parties to these proceedings are addressed in the respective final determinations. The issues included in the respective final determinations are as follows: (1) Export Restraints (Magnesia Bricks and Seamless Pipe); (2) Land (Thermal Paper, Line Pipe, Citric Acid, OCTG, Wire Strand, and Seamless Pipe); (3) Public Bodies and Input Specificity (Pressure Pipe, Line Pipe, Lawn Groomers, Kitchen Shelving, OCTG, Wire Strand, Seamless Pipe, Print Graphics, Aluminum Extrusions, Steel Cylinders, and Solar Panels); and (4) Benefit (Market Distortion) (Pressure Pipe, Line Pipe, OCTG, and Solar Panels). Separately, the Department issued a memorandum regarding Drill Pipe, concluding that because the order for Drill Pipe had been revoked pursuant to a final and conclusive decision from the U.S. Court of Appeals for the Federal Circuit, there is no longer a need for the Department to issue a determination in connection with this proceeding to render it not inconsistent with the findings in WTO DS437.¹⁵ The final determinations are public documents and are on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov and is available to all parties in the Central Records Unit, room B8024 of the main Department

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¹³ See 19 U.S.C. 3538(c).

¹⁴ See 19 U.S.C. 1516(a)(2)(B)(vii).

¹⁵ See Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, "Section 129 Proceeding: United States – Countervailing Duty Measures on Certain Products from the People's Republic of China (WTO/DS437): Final Determination for Countervailing Duty Investigation on Drill Pipe from the People's Republic of China," (March 31, 2016); see also Drill Pipe from the People's Republic of China: Notice of Court Decision Not in Harmony With International Trade Commission's Injury Determination, Revocation of Antidumping and Countervailing Duty Orders Pursuant to Court Decision, and Discontinuation of Countervailing Duty Administrative Review, 79 FR 78037 (December 29, 2014) (Drill Pipe Revocation).

of Commerce building. In addition, complete versions of the final determinations can be accessed directly on the internet at http://enforcement.trade.gov/frn/index.html. The signed versions of the final determinations and the electronic versions of the final determinations are identical in content.

Final Determinations: Recalculated Countervailing Duty Rates

The recalculated CVD rates, as included in the final determinations and which remain unchanged from the preliminary determinations for each company, are listed below. As indicated, we made changes to the net subsidy rates in certain proceedings (*i.e.*, *Line Pipe*, *OCTG*, *Magnesia Bricks*, and *Seamless Pipe*). As noted above, the CVD order for *Drill Pipe* including the corresponding CVD rates have been revoked independently from this Section 129 proceeding. The net subsidy rates for the remaining CVD proceedings in DS437 are unchanged.

Amended Countervailable Subsidy Rates Ad Valorem (Percent): Line Pipe			
Exporter/Producer	CVD Rate (investigation)	Revised CVD Rate	
Huludao Seven-Star Steel Pipe Group Co., Ltd. (Huludao Seven Star Group), Huludao Steel Pipe Industrial Co. Ltd. (Huludao Steel Pipe), and Huludao Bohai Oil Pipe Industrial Co. Ltd. (Huludao Bohai Oil Pipe) (collectively, the Huludao Companies)	33.43	32.65	
Liaoning Northern Steel Pipe Co., Ltd. (Northern Steel)	40.05	40.05	
All Others	36.74	36.35	

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¹⁶ See Final Determination for Export Restraints, Final Determination for Seamless Pipe, and Final Determination for Pressure Pipe, Line Pipe, OCTG, Wire Strand, and Solar Panels.

¹⁷ See Drill Pipe Revocation.

Amended Countervailable Subsidy Rates Ad Valorem (Percent): OCTG			
Exporter/Producer	CVD Rate (investigation)	Revised CVD Rate	
Tianjin Pipe (Group) Co., Tianjin Pipe Iron Manufacturing Co., Ltd., Tianguan Yuantong Pipe Product Co., Ltd., Tianjin Pipe International Economic and Trading Co., Ltd., and TPCO Charging Development Co., Ltd. (collectively, TPCO)	10.49	7.71	
Jiangsu Changbao Steel Tube Co. and Jiangsu Changbao Precision Steel Tube Co., Ltd. (collectively, Changbao)	12.46	12.46	
Wuxi Seamless Pipe Co, Ltd., Jiangsu Fanli Steel Pipe Co, Ltd., Tuoketuo County Mengfeng Special Steel Co., Ltd. (collectively, Wuxi)	14.95	14.95	
Zhejiang Jianli Enterprise Co., Ltd., Zhejiang Jianli Steel Tube Co., Ltd., Zhuji Jiansheng Machinery Co., Ltd., and Zhejiang Jianli Industry Group Co., Ltd. (collectively, Zhejiang Jinali)	15.78	15.78	
All Others	13.41	12.26	

Amended Countervailable Subsidy Rates Ad Valorem (Percent): Magnesia Bricks			
Exporter/Producer	CVD Rate (investigation)	Revised CVD Rate	
RHI Refractories Liaoning Co., Ltd., RHI Refractories (Dalian) Co., Ltd., and Liaoning RHI Jinding Magnesia Co., Ltd. (RHIJ) (collectively, RHI)	24.24	3.00	
Liaoning Mayerton Refractories and Dalian Mayerton Refractories Co. Ltd.(collectively, Mayerton)	253.87	232.63	
All Others	24.24	3.00	

Exporter/Producer	CVD Rate (investigation)	Revised CVD Rate	
Tianjin Pipe (Group) Co., Tianjin Pipe Iron Manufacturing Co., Ltd., Tianguan Yuantong Pipe Product Co., Ltd., Tianjin Pipe International Economic and Trading Co., Ltd., and TPCO Charging Development Co., Ltd. (collectively, TPCO)	13.66	8.24	
Hengyang Steel Tube Group Int'l Trading, Inc., Hengyang Valin Steel Tube Co., Ltd., Hengyang Valin MPM Tube Co., Ltd., Xigang Seamless Steel Tube Co., Ltd., Wuxi Seamless Special Pipe Co., Ltd., Wuxi Resources Steel Making Co., Ltd., Jiangsu Xigang Group Co., Ltd., Hunan Valin Xiangtan Iron & Steel Co., Ltd., Wuxi Sifang Steel Tube Co., Ltd., Hunan Valin Steel Co., Ltd., Hunan Valin Iron & Steel Group Co., Ltd., (collectively, Hengyang)	56.67	49.56	
All Others	35.17	28.90	

Implementation of the Revised Cash Deposit Requirements

As noted above, on April 1, 2016 and May 26, 2016, in accordance with sections 129(b)(4) and 129(c)(1)(B) of the URAA, USTR directed the Department to implement these final determinations. With respect to all of the investigations except for *Magnesia Bricks* and *Seamless Pipe*, the Department will instruct U.S. Customs and Border Protection to require a cash deposit for estimated countervailing duties at the appropriate rate for each exporter/producer specified above, for entries of subject merchandise, entered or withdrawn from warehouse, for consumption, on or after April 1, 2016, and May 26, 2016, respectively unless the applicable cash deposit rates have been superseded by intervening segments or revised based on a redetermination of the investigation as a result of domestic litigation. For *Magnesia Bricks* and *Seamless Pipe*, the Department's determinations are that there are

insufficient bases on which to initiate investigations into the export restraint programs. As a result, the Department intends to reduce all cash deposit rates in these two proceedings applicable as of May 26, 2016. As noted above, the order on Drill Pipe and corresponding cash deposits instructions have been revoked independently from these Section 129 proceedings. 18 This notice of implementation of these section 129 final determinations is published in accordance with section 129(c)(2)(A) of the URAA.

Dated: June 3, 2016.

Paul Piquado **Assistant Secretary** for Enforcement and Compliance

¹⁸ See Drill Pipe Revocation.

ATTACHMENT: CVD Investigations Examined in the Section 129 Proceedings for WTO DS437

Case Number	Case Short Cite	Final Determination and Order
C-570-921	Thermal Paper	Lightweight Thermal Paper from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 73 FR 57323 (October 2, 2008) (Thermal Paper), and accompanying Decision Memorandum (Thermal Paper Decision Memorandum). Lightweight Thermal Paper from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order, 72 FR 70958 (November 24, 2008).
C-570-931	Pressure Pipe	Circular Welded Austenitic Stainless Pressure Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 74 FR 4936 (January 28, 2009) (Pressure Pipe), and accompanying Decision Memorandum (Pressure Pipe Decision Memorandum). Circular Welded Austenitic Stainless Pressure Pipe from the People's Republic of China: Countervailing Duty Order, 74 FR 11712 (March 19, 2009).
C-570-936	Line Pipe	Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 73 FR 70961 (November 24, 2008) (Line Pipe), and accompanying Decision Memorandum (Line Pipe Decision Memorandum). Circular Welded Carbon Quality Steel Line Pipe from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order, 74 FR 4136 (January 23, 2009).
C-570-938	Citric Acid	Citric Acid and Certain Citrate Salts from People's Republic of China: Final Affirmative Countervailing Duty Determination, 74 FR 16836 (April 13, 2009) (Citric Acid), and accompanying Decision Memorandum (Citric Acid Decision Memorandum). Citric Acid and Certain Citrate Salts from the People's Republic of China: Notice of Countervailing Duty Order, 74 FR 25705 (May 29, 2009).
C-570-940	Lawn Groomers	Certain Tow-Behind Lawn Groomers and Certain Parts Thereof from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 74 FR 29180 (June 19, 2009) (Lawn Groomers), and accompanying Decision Memorandum (Lawn Groomers Decision Memorandum). Certain Tow-Behind Lawn Groomers and Certain Parts Thereof from the People's Republic of China: Countervailing Duty Order, 74 FR 38399 (August 3, 2009).
C-570-942	Kitchen Shelving	Certain Kitchen Shelving and Racks from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 74 FR 37012 (July 27, 2009) (Kitchen Shelving), and accompanying Decision Memorandum (Kitchen Shelving Decision Memorandum). Certain Kitchen Shelving and Racks from the People's Republic of China: Countervailing Duty Order, 74 FR 46973 (September 14, 2009).
C-570-944	OCTG	Certain Oil Country Tubular Goods from the People's Republic of China: Final Affirmative Countervailing Duty Determination, Final Negative Critical Circumstances Determination, 74 FR 64045 (December 7, 2009) (OCTG), and accompanying Decision Memorandum (OCTG Decision Memorandum). Certain Oil Country Tubular Goods from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 75 FR 3203 (January 20, 2010).

C-570-946	Wire Strand	Pre-Stressed Concrete Steel Wire Strand from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 75 FR 28557 (May 21, 2010) (Wire Strand), and accompanying Decision Memorandum (Wire Strand Decision Memorandum). Pre-Stressed Concrete Steel Wire Strand from the People's Republic of China: Notice of Amended Final Affirmative Countervailing Duty Determination and Notice of Countervailing Duty Order, 75 FR 38977 (July 7, 2010).
C-570-955	Magnesia Bricks	Certain Magnesia Carbon Bricks from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 75 FR 45472 (August 2, 2010) (Magnesia Bricks), and accompanying Decision Memorandum (Magnesia Bricks Decision Memorandum). Certain Magnesia Carbon Bricks from the People's Republic of China: Countervailing Duty Order, 75 FR 57442 (September 21, 2010).
C-570-957	Seamless Pipe	Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination, Final Affirmative Critical Circumstances Determination, 75 FR 57444 (September 21, 2010) (Seamless Pipe), and accompanying Decision Memorandum (Seamless Pipe Decision Memorandum). Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 75 FR 69050 (November 10, 2010).
C-570-959	Print Graphics	Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 75 FR 59212 (September 27, 2010) (Print Graphics), and accompanying Decision Memorandum (Print Graphics Decision Memorandum). Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses from the People's Republic of China: Amended Final Affirmative Countervailing Duty Determination and Countervailing Duty Order, 75 FR 70201 (November 17, 2010).
C-570-966	Drill Pipe	Drill Pipe from the People's Republic of China: Final Affirmative Countervailing Duty Determination, Final Affirmative Critical Circumstances Determination, 76 FR 1971 (January 11, 2011) (Drill Pipe), and accompanying Decision Memorandum (Drill Pipe Decision Memorandum). Drill Pipe from the People's Republic of China: Countervailing Duty Order, 76 FR 11758 (March 3, 2011). (Note: The CVD order on drill pipe was revoked. However, the litigation is not yet final and complete. Drill Pipe from the People's Republic of China: Notice of Court Decision Not in Harmony With International Trade Commission's Injury Determination, Revocation of Antidumping and Countervailing Duty Orders Pursuant to Court Decision, and Discontinuation of Countervailing Duty Administrative Review, 79 FR 78037 (December 29, 2014)).
C-570-968	Aluminum Extrusions	Aluminum Extrusions from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 76 FR 18521 (April 4, 2011) (Aluminum Extrusions), and accompanying Decision Memorandum (Aluminum Extrusions Decision Memorandum). Aluminum Extrusions from the People's Republic of China: Countervailing Duty Order, 76 FR 30653 (May 26, 2011).
C-570-978	Steel Cylinders	High Pressure Steel Cylinders from the People's Republic of China: Final Affirmative Countervailing Duty Determination, 77 FR 26738 (May 7, 2012) (Steel Cylinders), and accompanying Decision Memorandum (Steel Cylinders Decision Memorandum). High Pressure Steel Cylinders from the People's Republic of China: Countervailing Duty Order, 77 FR 37384 (June 21, 2012).

C-570-980	Solar Panels	Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the People's Republic of China: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination, 77 FR 63788 (October 17, 2012) (Solar Panels), and accompanying Decision Memorandum (Solar Panels Decision Memorandum). Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled Into Modules, from the People's
		Republic of China: Countervailing Duty Order, 77 FR 73017 (December 7, 2012).

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